

USDA-RUS

**OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS**

*This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.*

BORROWER NAME

Range Telephone Cooperative, Inc.

(Prepared with Audited Data)

INSTRUCTIONS: Submit report to RUS within 30 days after close of the period.  
For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.

PERIOD ENDING  
December, 2015

BORROWER DESIGNATION  
MT0518

**CERTIFICATION**

*We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.*

**ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.**

**DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII**

(Check one of the following)

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report

Robin Stephens

3/25/2016

DATE

**PART A. BALANCE SHEET**

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			<b>35. Total Current Liabilities (25 thru 34)</b>		
6. Material-Regulated			<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
<b>10. Total Current Assets (1 Thru 9)</b>			39. Funded Debt-Other		
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Reacquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			<b>46. Total Long-Term Debt (36 thru 45)</b>		
13. Nonregulated Investments			<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
<b>17. Total Noncurrent Assets (11 thru 16)</b>			<b>50. Total Other Liabilities and Deferred Credits (47 thru 49)</b>		
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom, Plant-in-Service			51. Cap. Stock Outstand. & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
<b>23. Net Plant (18 thru 21 less 22)</b>			56. Patronage Capital Credits		
<b>24. TOTAL ASSETS (10+17+23)</b>			57. Retained Earnings or Margins		
			<b>58. Total Equity (51 thru 57)</b>		
			<b>59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)</b>		

Total Equity = 75.36% % of Total Assets

# OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

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PERIOD ENDING

December, 2015

INSTRUCTIONS- See RUS Bulletin 1744-2

## PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		
2. Network Access Services Revenues		
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues		
<b>7. Net Operating Revenues (1 thru 5 less 6)</b>		
8. Plant Specific Operations Expense		
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)		
10. Depreciation Expense		
11. Amortization Expense		
12. Customer Operations Expense		
13. Corporate Operations Expense		
<b>14. Total Operating Expenses (8 thru 13)</b>		
15. Operating Income or Margins (7 less 14)		
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes		
19. Other Taxes		
<b>20. Total Operating Taxes (17+18+19)</b>		
21. Net Operating Income or Margins (15+16-20)		
22. Interest on Funded Debt		
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction		
<b>26. Total Fixed Charges (22+23+24-25)</b>		
27. Nonoperating Net Income		
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income		
<b>31. Total Net Income or Margins (21+27+28+29+30-26)</b>		
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year		
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital		
<b>39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]</b>		
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
<b>43. Patronage Capital End-of-Year (40+41-42)</b>		
44. Annual Debt Service Payments		
45. Cash Ratio [(14+20-10-11) / 7]		
46. Operating Accrual Ratio [(14+20+26) / 7]		
47. TIER [(31+26) / 26]		
48. DSCR [(31+26+10+11) / 44]		

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INSTRUCTIONS - See RUS Bulletin 1744-2

BORROWER DESIGNATION

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## Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, &amp; HIGH SPEED DATA INFORMATION

EXCHANGE	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
	B-1	R-1	BUSINESS	RESIDENTIAL	TOTAL	TOTAL (including fiber)	FIBER
	(a)	(b)	(a)	(b)	(c)	(a)	(b)
Alzada	22.44	18.70	22	74	96	333.57	78.49
Arvada	22.44	18.70	40	129	169	461.20	107.63
Ashland	22.44	18.70	142	432	574	512.47	57.10
Birney	22.44	18.70	8	65	73	148.44	23.53
Broadus	22.44	18.70	199	348	547	268.42	59.77
Busby	22.44	18.70	47	206	253	123.18	18.57
Clearmont	22.44	18.70	39	107	146	214.59	65.52
Decker	22.44	18.70	109	182	291	535.96	102.50
Hysham	22.44	18.70	106	331	437	621.24	141.71
Lame Deer	22.44	18.70	485	646	1,131	264.79	59.92
North Broadus	22.44	18.70	6	103	109	315.10	51.42
Rosebud	22.44	18.70	69	172	241	351.72	110.59
South East Sheridan	22.44	18.70	77	196	273	262.92	45.89
South Miles City	22.44	18.70	17	178	195	559.24	160.33
Sundance	22.44	18.70	422	696	1,118	658.88	195.29
Forsyth CLEC	33.80	16.50	324	611	935	257.79	206.53
South Broadus	22.44	18.70	48	227	275	709.94	150.17
MobileWireless					0		
Route Mileage Outside Exchange Area						0.00	0.00
Total			2,160	4,703	6,863	6,599.46	1,634.99
No. Exchanges	17						

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## Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

### 4. BROADBAND SERVICE

EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Details on Least Expensive Broadband Service					
			Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	Standalone/Pckg (f)	Type Of Technology (g)
Alzada	90	66	4	384	256	23.95	StandAlone	DSL
Arvada	165	92	2	384	256	23.95	StandAlone	DSL
Ashland	550	357	5	384	256	23.95	StandAlone	DSL
Birney	70	53		384	256	23.95	StandAlone	DSL
Broadus	535	362	14	384	256	23.95	StandAlone	DSL
Busby	240	168	1	384	256	23.95	StandAlone	DSL
Clearmont	140	89	2	384	256	23.95	StandAlone	DSL
Decker	290	150	3	384	256	23.95	StandAlone	DSL
Hysham	435	273	5	384	256	23.95	StandAlone	DSL
Lame Deer	1,050	566	3	384	256	23.95	StandAlone	DSL
North Broadus	100	62	7	384	256	23.95	StandAlone	DSL
Rosebud	240	137	8	384	256	23.95	StandAlone	DSL
South East Sheridan	265	190	4	384	256	23.95	StandAlone	DSL
South Miles City	135	119	4	384	256	23.95	StandAlone	DSL
Sundance	1,100	611	12	384	256	23.95	StandAlone	DSL
Forsyth CLEC	935	560	16	384	256	23.95	StandAlone	DSL
South Broadus	250	182	6	384	256	23.95	StandAlone	DSL
Total	6,590	4,037						

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## PART D. SYSTEM DATA

1. No. Plant Employees	2. No. Other Employees	3. Square Miles Served	4. Access Lines per Square Mile	5. Subscribers per Route Mile
26	19	15,800	.43	1.04

## PART E. TOLL DATA

1. Study Area ID Code(s)	2. Types of Toll Settlements (Check one)
a. 482251	Interstate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis
b. 489007	
c. 512251	Intrastate: <input type="checkbox"/> Average Schedule <input checked="" type="checkbox"/> Cost Basis
d. _____	
e. _____	
f. _____	
g. _____	
h. _____	
i. _____	
j. _____	

## PART F. FUNDS INVESTED IN PLANT DURING YEAR

1. RUS, RTB, & FFB Loan Funds Expended
2. Other Long-Term Loan Funds Expended
3. Funds Expended Under RUS Interim Approval
4. Other Short-Term Loan Funds Expended
5. General Funds Expended (Other than Interim)
6. Salvaged Materials
7. Contribution in Aid to Construction
8. Gross Additions to Telecom. Plant (1 thru 7)

## PART G. INVESTMENTS IN AFFILIATED COMPANIES

INVESTMENTS	CURRENT YEAR DATA		CUMULATIVE DATA		
	Investment This Year	Income/Loss This Year	Cumulative Investment To Date	Cumulative Income/Loss To Date	Current Balance
(a)	(b)	(c)	(d)	(e)	(f)
1. Investment in Affiliated Companies - Rural Development					
2. Investment in Affiliated Companies - Nonrural Development					

<b>USDA-RUS</b>  <b>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</b>	BORROWER DESIGNATION MT0518  PERIOD ENDING December, 2015
<b>PART H. CURRENT DEPRECIATION RATES</b>	
Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one) <span style="float: right;"> <input checked="checked" type="checkbox"/> YES           <input type="checkbox"/> NO         </span>	
EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	12.00%
2. Land and support assets - Aircraft	12.00%
3. Land and support assets - Special purpose vehicles	12.00%
4. Land and support assets - Garage and other work equipment	15.00%
5. Land and support assets - Buildings	4.17%
6. Land and support assets - Furniture and Office equipment	14.30%
7. Land and support assets - General purpose computers	14.69%
8. Central Office Switching - Digital	10.00%
9. Central Office Switching - Analog & Electro-mechanical	10.00%
10. Central Office Switching - Operator Systems	10.00%
11. Central Office Transmission - Radio Systems	10.00%
12. Central Office Transmission - Circuit equipment	12.40%
13. Information origination/termination - Station apparatus	9.77%
14. Information origination/termination - Customer premises wiring	10.00%
15. Information origination/termination - Large private branch exchanges	10.00%
16. Information origination/termination - Public telephone terminal equipment	10.00%
17. Information origination/termination - Other terminal equipment	10.00%
18. Cable and wire facilities - Poles	7.60%
19. Cable and wire facilities - Aerial cable - Metal	4.60%
20. Cable and wire facilities - Aerial cable - Fiber	4.60%
21. Cable and wire facilities - Underground cable - Metal	4.40%
22. Cable and wire facilities - Underground cable - Fiber	4.40%
23. Cable and wire facilities - Buried cable - Metal	6.00%
24. Cable and wire facilities - Buried cable - Fiber	5.00%
25. Cable and wire facilities - Conduit systems	6.00%
26. Cable and wire facilities - Other	6.00%



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MT0518

**OPERATING REPORT FOR  
TELECOMMUNICATIONS BORROWERS**

PERIOD ENDED

December, 2015

INSTRUCTIONS – See help in the online application.

**PART I – STATEMENT OF CASH FLOWS****1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)****CASH FLOWS FROM OPERATING ACTIVITIES****2. Net Income***Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities*

3. Add: Depreciation

4. Add: Amortization

5. Other (Explain)

*Changes in Operating Assets and Liabilities*

6. Decrease/(Increase) in Accounts Receivable

7. Decrease/(Increase) in Materials and Inventory

8. Decrease/(Increase) in Prepayments and Deferred Charges

9. Decrease/(Increase) in Other Current Assets

10. Increase/(Decrease) in Accounts Payable

11. Increase/(Decrease) in Advance Billings &amp; Payments

12. Increase/(Decrease) in Other Current Liabilities

**13. Net Cash Provided/(Used) by Operations****CASH FLOWS FROM FINANCING ACTIVITIES**

14. Decrease/(Increase) in Notes Receivable

15. Increase/(Decrease) in Notes Payable

16. Increase/(Decrease) in Customer Deposits

17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)

18. Increase/(Decrease) in Other Liabilities &amp; Deferred Credits

19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates &amp; Other Capital

20. Less: Payment of Dividends

21. Less: Patronage Capital Credits Retired

22. Other (Explain)

**23. Net Cash Provided/(Used) by Financing Activities****CASH FLOWS FROM INVESTING ACTIVITIES**

24. Net Capital Expenditures (Property, Plant &amp; Equipment)

25. Other Long-Term Investments

26. Other Noncurrent Assets &amp; Jurisdictional Differences

27. Other (Explain)

balance cash flow statement

**28. Net Cash Provided/(Used) by Investing Activities****29. Net Increase/(Decrease) in Cash****30. Ending Cash**

Revision Date 2010

USDA-RUS  OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION  MT0518
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2015
NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	
Nothing unusual to report for 2015	



USDA-RUS  OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION  MT0518
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2015
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	